



The Georgia Department of Community Health, State Office of Rural Health

# Financial and Operational Improvements for Critical Access Hospitals

The Medicare Rural Hospital Flexibility Program (Flex) was established by the Balanced Budget Act of 1997. This federally funded program of the U.S. Department of Health and Human Services (HHS) promotes quality and performance improvement activities; stabilizes rural hospital finance; and integrates emergency medical services (EMS) into rural health care systems.

## **Financial and Operational Improvements**

A total of \$502,303 was appropriated to financial and operational improvement during the past six years. Finances were analyzed for 32 of the state's 34 Critical Access Hospitals (CAHs) by Draffin & Tucker LLP through three funding cycles, 2008-2011. Problematic issues affecting financial stability were identified. Leadership education and training seminars and webinars were provided in 2010, 2011 and 2012 to educate CAHs on the following areas of opportunity:

- Reimbursement
- Cost reporting
- Cost containment
- Charge master and charge capture
- Networking
- Leadership
- Diversification
- Health care reform

SORH is currently conducting three-year CAH fiscal analyses for 26 CAHs, focused on revenue cycle





## Georgia Flex Quick Facts

- Since 1999, Georgia has received more than \$5.5 million in Flex grant funding.
- Flex grants support Georgia's 31 Critical Access Hospitals.



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## Overview of Financial and Operational Improvements for Critical Access Hospitals

management. These analyses will include hospital-specific action plans and interventions for financial and operational improvement.

Previous projects include:

- Offered operational and finance-related technical and operational assistance.
- Conducted CAH financial feasibility and impact assessments for CAH-eligible hospitals.
- Performed CAH Program Evaluation.
- Developed and implemented the Georgia State Rural Health Plan.
- Provided education, training and benchmarking to each of the CAH business offices.
- Completed external evaluation of Georgia Flex Program, conducted by Rural Health Solutions.

### **About Flex**

The Georgia Flex Program, which began in 1999 through the State Office of Rural Health (SORH) in the Georgia Department of Community Health (DCH), supports the four components of the national program:

- Quality Improvement
- Financial and Operational Improvement
- Health System Development and Community Engagement
- Conversion of 34 hospitals to CAH Status Completed

#### For More Information

Visit www.dch.georgia.gov/state-office-rural-health or call 229-401-3090.